

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
WARREN COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period  
July 1, 2009 Through June 30, 2010**



**CRIT LUALLEN  
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**CRIT LUALLEN**  
**AUDITOR OF PUBLIC ACCOUNTS**

Independent Accountant's Report

Lori H. Flanery, Secretary, Finance and Administration Cabinet  
The Honorable Bob Branstetter  
Warren County Property Valuation Administrator  
Bowling Green, Kentucky 42102

We have performed the procedures enumerated below, which were agreed to by the Warren County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2009 through June 30, 2010. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Warren County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2010), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA has a receipts and disbursements ledger. The PVA conducts a monthly bank reconciliation. The June 30, 2010 bank reconciliation was not accurate. Credit card purchases were recorded on the ledgers before they were paid the next month. The PVA should record credit card disbursements as they are paid to ensure bank accounts reconcile. Also, the PVA correctly voided a disbursement from the disbursements ledger, but did not void the check from the bank reconciliation. Voided checks should be backed off the disbursements ledger as well as the bank reconciliation to ensure the ledger reconciles to the bank balance.

*PVA Response: None.*



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2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Based on work performed, payments from cities have been confirmed and compare favorably to the PVA receipts records. The list of cities is complete.

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Based on work performed, payments made by the Fiscal Court to the PVA have been confirmed. The budgeted statutory contribution by Fiscal Court was compared to the legally required amounts calculated by the Department of Revenue, and the Fiscal Court paid the statutory contribution as required. Fiscal Court payments were traced from the Fiscal Court statutory contribution budget to the PVA's local bank accounts and the receipts ledger.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

The auditor judgmentally selected 15 disbursements from PVA records. Expenditures from PVA records agreed to cancelled checks and paid invoices. The PVA had \$300 in advertising that is not for official business. All credit card statements were reviewed and expenditures were for official business; however, three purchases under \$30 did not have invoices.

*PVA Response: None.*

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Warren County Property Valuation Administrator  
(Continued)

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Based on work performed, no capital expenditures over \$5,000 were noted. One item over \$500 was purchased. The auditor verified the location of the asset. This item was correctly added to the Capital Asset Inventory List and was properly tagged.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

Auditor determined that the PVA did not have any lease agreements or personal service contracts. Professional service contracts were appropriate, for official business, properly authorized, and payments were up to date.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

Auditor compared PVA's final budget to actual expenditures and determined that PVA did not overspend any account series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Collateral was not necessary for the PVA's funds. The FDIC account coverage was adequate.

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(Continued)

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Based on work performed, timesheets are completed, maintained, approved, and support hours worked. Leave time requests forms for annual and comp time did not always agree to the manual timesheets or accurately reflect the type of time off requested. However, the correct total amount of time off per the timesheet was deducted from leave balances.

*PVA Response: None.*

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Not applicable as no change in the PVA.

11. Procedure -

For newly hired employees, during July 1, 2009 through June 30, 2010, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

Auditor determined that PVA's office had one newly hired employee during July 1, 2009 through June 30, 2010. The Ethics Certification Form was completed and is on file.

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

Auditor determined that the PVA's office was not closed any other day other than the state's approved holidays.

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(Continued)

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen  
Auditor of Public Accounts

June 7, 2011